



## Amidst COVID-19 challenges, global healthcare company tackles finance transformation to support business expansion

Companies experiencing rapid growth frequently find it difficult to scale their operations at a pace that fully supports the expanding business. For one healthcare company in particular, that task became even more challenging last year when a global pandemic ushered in remote working and further separated intensely data-centric functions that happened to be siloed in the first place.

The company was already partnering with a Protiviti technology team to better harness its vast amount of information as part of a finance data warehousing effort. Early in that project, the organisation also recognised an opportunity and need to revamp its disbursement, accrual and close processes. They invited the Protiviti business performance improvement (BPI) team to redesign and implement a future technology state that would automate disbursement calculations and related workflow, analytics and dashboard reporting.

Then, as the onset of the virus forced the healthcare company to institute a work-from-home policy, it immediately became clear that the client needed to shore up its fragmented and siloed billing process. The Controller tasked the BPI team with the additional request to help the finance team draft and issue invoices, apply cash, reconcile customer accounts, document procedures, and identify process improvements and automation opportunities.

### Current state

Overall, the client's swift growth trajectory had made it difficult to focus on areas of concern in the billing and disbursement, accrual and close processes. Meanwhile, the pandemic had done nothing to slow the expansion of business, and the sudden shift to remote working had only heightened the need to address the concerns.

Protiviti's BPI experts found that financial processes were characterised by many manual tasks and redundant and disparate technologies that were not built for the purposes they were serving. Additionally, the technologies in use were limited in their ability to handle newfound complexities that are common in rapidly growing organisations, and the company had not taken advantage of technologies already in place that could be enhanced to address some of its challenges.

*“We helped our client change the way they work by redesigning their processes, enabled by fit-for-purpose technology and data transformation.”*

— Ken Thomas, Managing Director, Protiviti

Not surprisingly, the billing function suffered from substantial turnover. Finance team members often worked nights and weekends to meet contractual deadlines, and even then, complex terms and mandated issue dates hindered the process, leaving the client with a substantial backlog of invoices. Offshore support operations frequently missed deadlines and lacked accuracy, too. Billing procedures, when they were in place at all, were either outdated, or devoid of complete, accurate and current documentation.

The disbursement, accrual and close process similarly lacked formal policy documentation for threshold analysis, and metrics used to track business performance were limited. These processes also required the participation of multiple business teams, which often led to time lags and miscommunication, compounding all the other issues.

### **Billing process transformation**

The BPI team leveraged Protiviti’s finance transformation expertise and methodology to first document and then redesign step-by-step procedures to draft and issue invoices, apply cash and reconcile customer accounts. Protiviti then brought in resources with experience in the pharmacy benefit management industry from Robert Half, Protiviti’s parent company, to address the backlog. Dozens of those experienced resources were dedicated to the assignment and integrated into the project in less than two weeks.

As part of the solution, Protiviti provided billing training as well as guidance for the onboarding of new personnel. The new documented processes, maintained by the client, continue to be instrumental in the onboarding and training of new hires.

These initial actions have already led to numerous measurable benefits. Over the span of six months, the company issued more than \$14 billion in invoices and applied more than \$6 billion in cash. Cash flow improved by more than \$3 billion in a matter of four months.

While the primary focus was on clearing the backlog of delayed billing during the pandemic, the Protiviti team also provided the client with a heatmap of more than 20 recommendations to further improve processes and introduce automation. The heatmap prioritises those recommendations and includes a road map to execution.

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## Disbursement, accrual and close process redesign

To review day-to-day procedures in the disbursement, accrual and close process, Protiviti's BPI team conducted walk-through exercises and shadowed client routines. The BPI team documented current state processes, then identified and prioritised improvement opportunities; determined data lineage, sources and deficiencies; and engaged technology subject-matter experts to support automation design for the client's future state.

To date, the company has achieved a completely redesigned disbursement process, which leverages technology to eliminate highly inefficient manual processes. This has already resulted in a roughly 40% increase in efficiency within an accounting and disbursement team of 40 full-time-equivalent employees.

The client is also benefitting from a system architecture overhaul, the development of new technologies that utilised user stories based on business requirements, and a financial dashboard built on key metrics and key performance indicators.

Looking ahead, Protiviti is helping the client build a data warehouse and bespoke technology needed to deliver efficient, standardised and streamlined disbursement processes, with deployment in the second half of 2021.

## Going virtual

The timing of the work with the onset of COVID-19 created challenges that companies rarely, if ever, have confronted. Whereas in normal times companies may work with their external partners to conduct assessment, development, implementation, training and other work at the company's physical locations, lockdowns around the world halted that routine. Like other businesses around the world, the client and Protiviti were forced to collaborate in a completely virtual world.

This presented a unique set of tests, including maintaining clear and effective communication between Protiviti and the client's teams. Together, the two companies surmounted logistical complexities to ensure personnel working remotely had laptop computers and other necessary materials so they could get properly onboarded, trained and supervised. Protiviti and the company also overcame time zone and language challenges posed by the client's numerous international locations.

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In this virtual environment marked with never-before-encountered challenges, the client went above and beyond to foster cooperation and ensure success. From the beginning, the company embraced the idea of an architecture redesign and was eager to implement the needed technology, procedure and process enhancements to bolster efficiency. The organisation also recognised the value of fully optimising its investment in new or upgraded technologies, such as automation, and to ensure that the solutions could be easily expanded to manage continued business growth.

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